



**ASSEMBLY AMENDMENT 1,  
TO 1999 ASSEMBLY BILL 563**

January 25, 2000 – Offered by COMMITTEE ON FINANCIAL INSTITUTIONS.

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 5, line 4: after that line insert:

3 **“SECTION 1e.** 220.14 (5) of the statutes is created to read:

4 220.14 **(5)** Contain a statement of the total number of orders issued by the  
5 division during the year under s. 222.0203 (2).”.

6 **2.** Page 6, line 2: delete that line.

7 **3.** Page 8, line 11: after “60 days.” insert “The division shall approve an  
8 application if all of the applicable requirements under s. 222.0203 (1) are met.”.

9 **4.** Page 8, line 12: delete lines 12 to 14 and substitute:

10 **“222.0203 Eligibility. (1) REQUIREMENTS.** The division may approve an  
11 application from a financial institution for certification as a universal bank only if  
12 all of the following requirements are met:”.

13 **5.** Page 8, line 18: delete “or adequately capitalized”.

1           **6.** Page 9, line 2: after that line insert:

2           “(e) The most current evaluation prepared under 12 USC 2906 that the  
3 financial institution has received rates the financial institution as “outstanding” or  
4 “satisfactory” in helping to meet the credit needs of its entire community, including  
5 low-income and moderate-income neighborhoods, consistent with the safe and  
6 sound operation of the financial institution.”.

7           **7.** Page 9, line 3: delete “COMPLIANCE” and substitute “ELIGIBILITY; LIMITATION OF  
8 AUTHORITY AND DECERTIFICATION”.

9           **8.** Page 9, line 4: delete “may” and substitute “shall”.

10          **9.** Page 9, line 5: after “chapter.” insert “In addition to or lieu of limiting or  
11 restricting the universal bank’s authority under this subsection, the division may by  
12 order revoke the universal bank’s certificate of authority issued under s. 222.0205.”.

13          **10.** Page 9, line 10: delete “**Decertification**” and substitute “**Voluntary**  
14 **termination of certification**”.

15          **11.** Page 11, line 24: delete the material beginning with that line and ending  
16 with page 12, line 6, and substitute:

17          “**222.0401 Federal financial institution powers. (1) IN GENERAL. (a)**  
18 *Powers exercised by universal bank.* A universal bank, with the approval of the  
19 division, may exercise any power that may be directly exercised by a federally  
20 chartered savings bank, a federally chartered savings and loan association or a  
21 federally chartered national bank.

22          (b) *Powers exercised by subsidiary of universal bank.* A universal bank,  
23 through a subsidiary and with the approval of the division, may exercise any power

1 that a federally chartered savings bank, a federally chartered savings and loan  
2 association or a federally chartered national bank may exercise through a subsidiary.

3 (2) APPROVAL REQUIRED FOR EXERCISE OF FEDERAL POWER. A universal bank shall  
4 file with the division a written request to exercise a power under sub. (1). The  
5 division shall determine whether the requested power is permitted under sub. (1).  
6 Within 60 days after receiving a request under this subsection, the division shall  
7 approve the request, if the power is permitted under sub. (1), or shall disapprove the  
8 request if the power is not permitted under sub. (1). The division and the universal  
9 bank may mutually agree to extend this 60-day period for an additional period of 60  
10 days.”.

11 **12.** Page 12, line 8: delete “universal banks under this section” and substitute  
12 “a universal bank under sub. (1) (a)”.

13 **13.** Page 16, line 24: delete “3 years” and substitute “2 years”.

14 **14.** Page 24, line 6: after “Any activities” insert “that are”.

15 **15.** Page 24, line 7: after “15.” insert “, as determined by rule of the division  
16 under par. (b).”.

17 **16.** Page 24, line 13: delete lines 13 to 15 and substitute “The division may,  
18 by rule, expand the list of activities under par. (a) 1. to 15. that are reasonably related  
19 or incident to the purposes of a universal bank and, by rule, may establish which  
20 activities are reasonably related or incident to the activities under par. (a) 1. to 15.  
21 Any activity approved by rule of the division under this paragraph shall be  
22 authorized for all universal banks.”.

23 **17.** Page 24, line 19: delete lines 19 to 25 and substitute:

1           “(4) STANDARDS FOR DENIAL. The division may deny the authority of a universal  
2 bank to engage in an activity under this section, other than those activities described  
3 in sub. (2) (a) 1. to 15., if the division determines that the activity is not an activity  
4 reasonably related or incident to the purposes of a universal bank. The division may  
5 deny the authority of a universal bank to engage in an activity under this section if  
6 the division determines that the universal bank is not well-capitalized, that the  
7 universal bank is the subject of an enforcement action or that the universal bank  
8 does not have satisfactory management expertise for the proposed activity.”.

9           **18.** Page 25, line 8: delete “activities” and substitute “an activity”.

10          **19.** Page 25, line 9: delete “an activity” and substitute “the activity”.

11          **20.** Page 25, line 21: after that line insert:

12          “**SECTION 2t.** 227.245 of the statutes is created to read:

13          **227.245 Permanent rules; exemptions. (1) PROMULGATION OF UNIVERSAL**  
14 **BANKING RULES.** Except as provided in subs. (2) and (3), the division of banking may  
15 promulgate a rule under s. 222.0413 (2) (b) without complying with the notice,  
16 hearing and publication procedures under this chapter.

17          **(2) FILING AND PUBLICATION.** The division of banking shall file a rule described  
18 under sub. (1) as provided in s. 227.20. At the time that the rule is filed, the division  
19 of banking shall mail a copy of the rule to the chief clerk of each house and to each  
20 member of the legislature, shall publish in the official state newspaper a class 1  
21 notice under ch. 985 containing a copy of the rule and shall take any other step it  
22 considers feasible to make the rule known to persons who will be affected by the rule.

23          **(3) EFFECTIVE DATE.** A rule described under sub. (1) takes effect as provided  
24 under s. 227.22.”.

